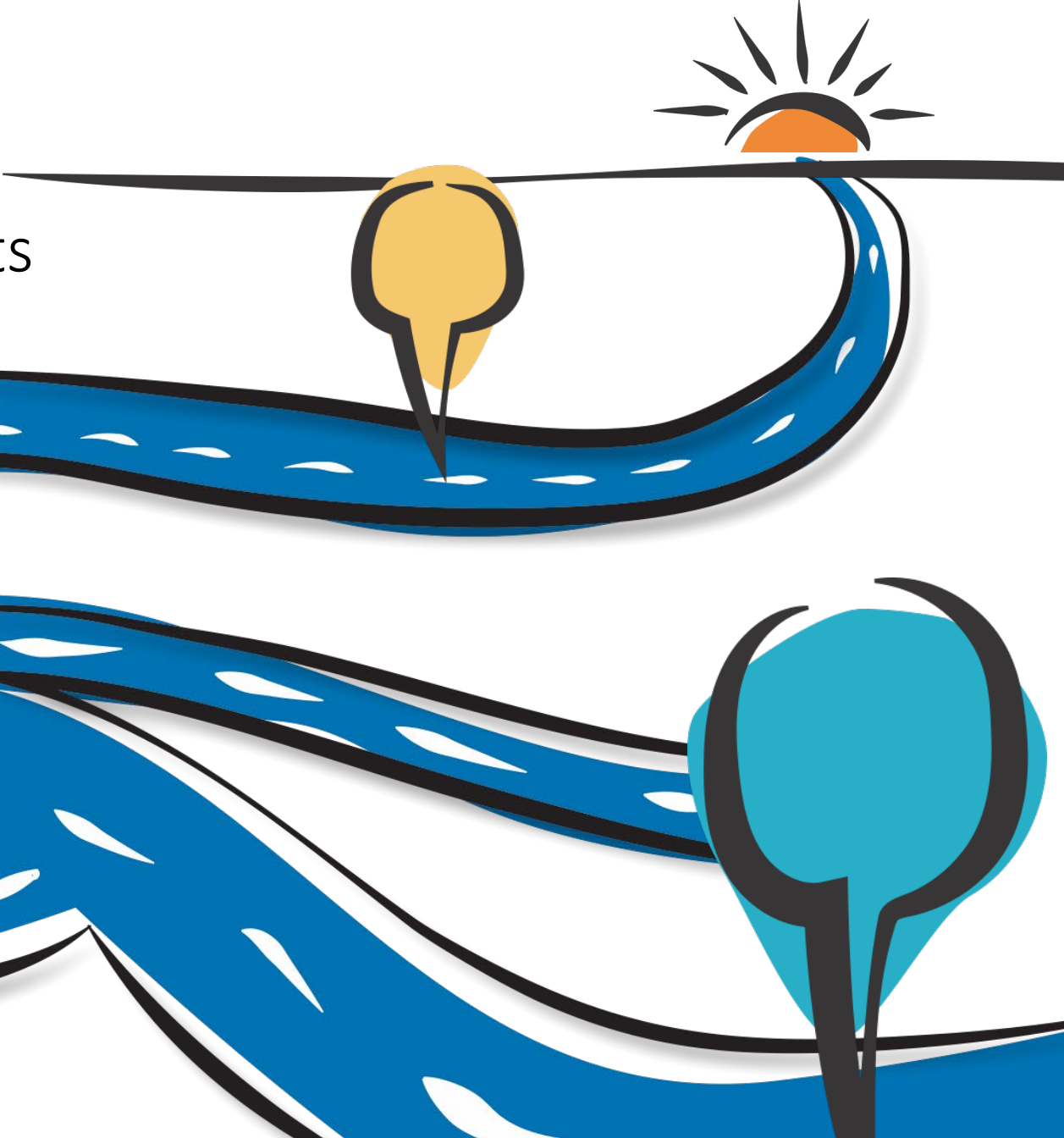


Pathways to Progress

Community Guide for Sustainable
Opioid Settlement Fund Investments

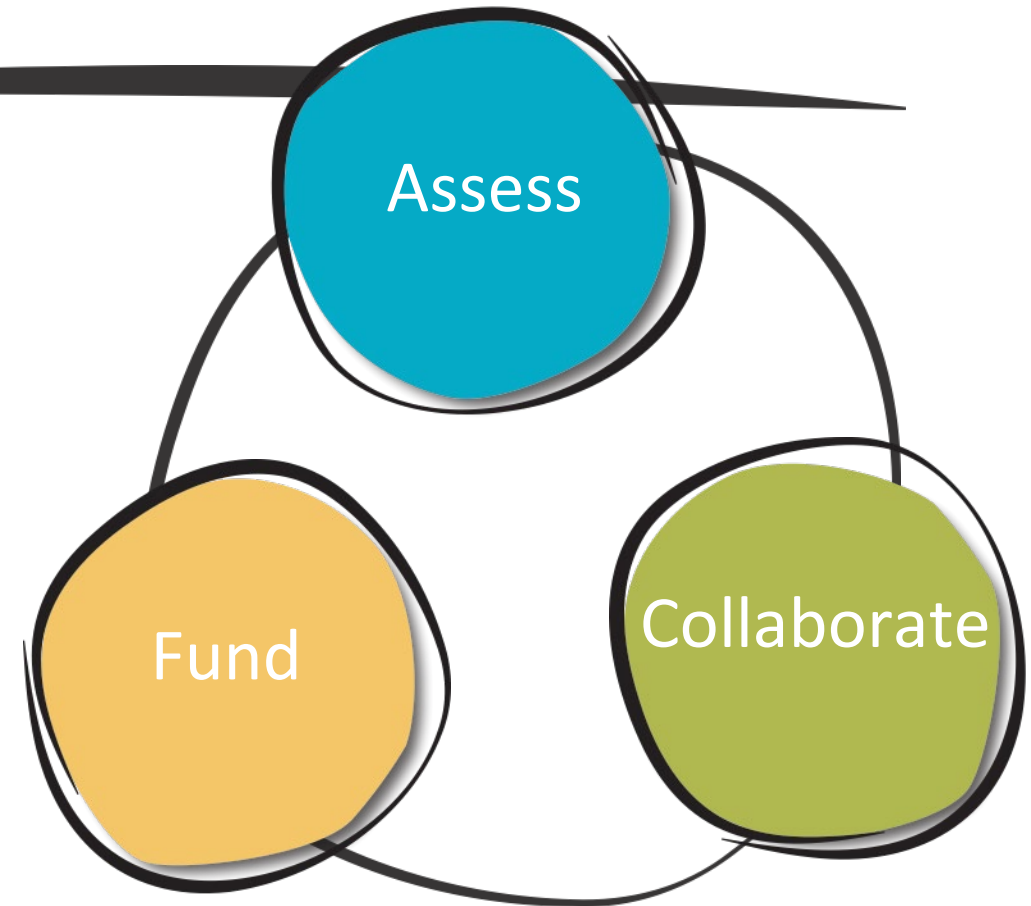


Empowering State and Local Leaders:

A Comprehensive Framework for Allocating Opioid Settlement Funds

This guide provides state and local leaders with a structured approach to allocate opioid settlement funds effectively. To achieve this, we propose three key strategies:

- (1) assess community needs and resources,
- (2) collaborate with partners for maximum impact, and
- (3) plan a sustainable approach by integrating settlement funds with existing resources.



Assess

Evaluate the needs of your community and what resources can meet those needs



How to **Assess** Current and Future Needs

Conduct a Comprehensive Needs Assessment

- Use data to understand the opioid crisis in your community.
- Assess existing infrastructure, such as the number of providers and recovery houses, to understand availability and gaps.

Gather Input

- Engage various stakeholders, including individuals with lived experiences, family members, caregivers, community-based organizations, patient advocacy groups, and substance use disorder (SUD) providers.
- Seek input on community needs and investment priorities to ensure a holistic understanding of challenges and opportunities.



Spotlight: Assessing Community Needs

The [Northern Sierra Opioid Safety Coalition \(NSOC\)](#) is a coalition which aims to prevent OUD and facilitate recovery for individuals affected by the disorder. Established in 2016, the coalition consists of diverse stakeholder groups across four counties in northern California. Members include public health experts, local hospitals, the criminal justice system, law enforcement, nonprofits, and community members. Through its collaborative efforts and by elevating community voices, the regions within the coalition have seen a reduction in unsafe prescribing practices as well as reduction in overdose-related deaths.

Engage Diverse Stakeholders: Building Inclusive Investment Strategies

Engaging with community stakeholders is crucial for identifying optimal investment strategies and building sustainable partnerships. This involves incorporating underrepresented stakeholder groups into formal governance processes, including marginalized groups affected by disparities in clinical conditions, geography, and race. Leveraging community coalitions, listening sessions, and surveys enables local and state leaders to gather input and maintain engagement among diverse stakeholders.

ASSESS

Recommendations



In addition to empirical tools, like the [Duke-Margolis Opioid Abatement Needs and Investment Tool](#), stakeholders should initiate community-level research, mini-publics, and other community engagements that incorporate the voices of communities and individuals in recovery.



Understand potential investment areas and local resources across the care continuum to inform next steps after needs assessment.

Assessment Resources

Needs Assessment

[Opioid Abatement Needs and Investment \(OANI\) tool](#) is a map-based tool that allows users to identify key factors related to opioid dependency at the county level and review a prioritized list of investment areas.

[NORC Tool](#) allows users to assess important elements of the recovery ecosystem at the county and state level.

[NACO Quick Guide](#) presents an overview of the needs assessment process.

Engaging Stakeholders

[National Academy of Medicine Conceptual Model](#) to Advance Health Equity Through Transformed Systems.

Study of [Community-Based Participatory Research Practices](#) and Outcomes.

Best practices and outcomes of [mini-publics](#).

[Principles of Community Engagement](#) and mobilization developed by the CDC's Committee for Community Engagement

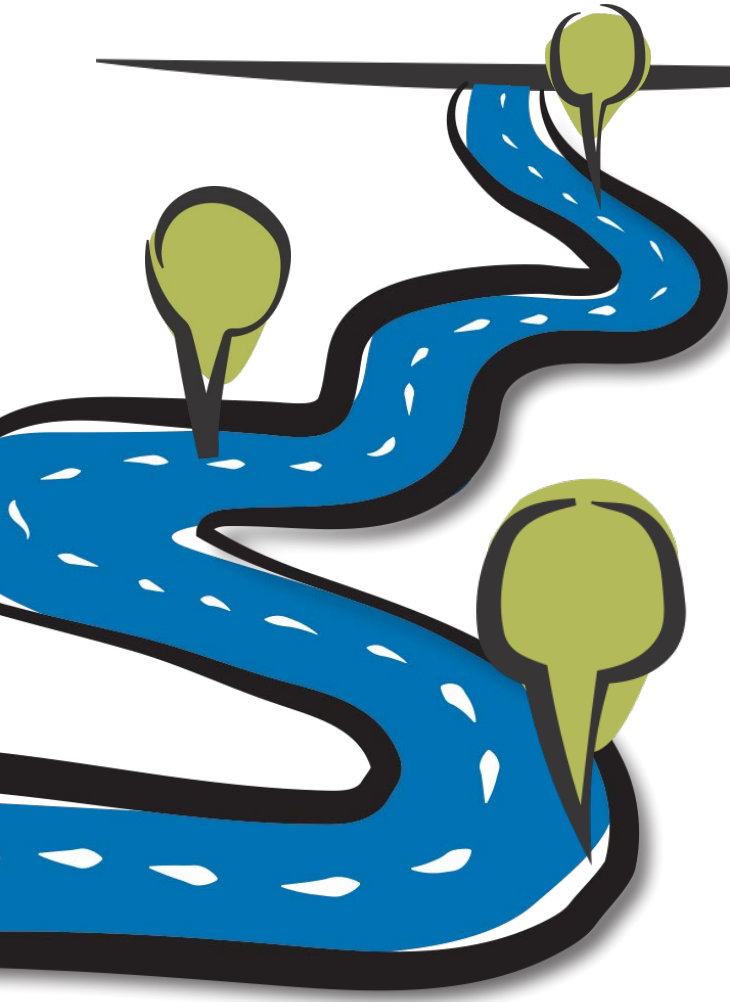
[NACO Quick Guide](#) provides an overview on how to set up a settlement council that represents the diverse needs, strengths, and experiences of community members.

Collaborate

Coordinate with state and local stakeholders to maximize impact and sustain community-based SUD infrastructure



Coordinate Interventions: **Building Together**



Collaborative approaches across local and state leaders, and non-governmental stakeholders, will help inform strategies, maintain buy-in, and improve sustainability. Key opportunities to coordinate OUD initiatives include:

- **Co-designing local and regional strategic plans:** Guiding investments through regional toolkits and financial roadmaps. For example, the [Minnesota](#) Department of Health and Minnesota Business Partnership co-developed a toolkit to address the opioid epidemic in the workplace.
- **Integrating operational processes into existing care systems:** Encourage partnerships to integrate the operational processes associated with OUD initiatives where possible, as this approach reduces burden and promotes more [sustainable practices](#) across the OUD care continuum.
- **Leverage existing resources:** Local and state leaders can use newly developed resources to guide their decision-making and track their investments, including the [opioid settlement tracker](#) and [financing principles](#).

Spotlight: Regional Approaches to Coordination

To coordinate and maximize the impact of its opioid response, Arapahoe County in Colorado launched a [regional council](#) along with its municipalities. This regional council consists of elected and local leaders, and prioritizes regionalism, collaboration and abatement in order to address the opioid crisis. Council members leverage its strategic plan to guide their opioid-related investments, including collaboration with localities and regional council plans to join efforts to invest in anti-opioid programs and capital improvement projects, which are key to support opioid recovery and prevention.

Facilitate Shared Learning

Facilitate opportunities for shared learning by establishing or joining learning collaboratives. Key strategies include:

- **Leveraging existing resources:** Leverage efforts to support SUD treatment and recovery, for example, by adopting or building on payment and care delivery models developed specifically for the chronic nature of addiction such as [the Addiction Recovery Medical Home Model](#)—an alternative payment model designed to promote whole-person care using flexible payment arrangements and health system integration.
- **Establishing joint learning collaboratives or forums:** Collaborate and learn from each other through learning collaboratives and forums, such as the [Opioid Response Project](#), a two-year health promotion learning collaborative that successfully prepared 10 local communities to address the opioid crisis at the community level.

COLLABORATE

Recommendations



Collaborate with neighboring areas to jointly create and execute strategic plans tailored to local and regional needs



Facilitate shared learning by leveraging existing resources and establishing learning collaboratives.



Align and share resources by pooling money from different sources and follow new guidelines to maximize the use of opioid-related funding

Collaboration Resources

[The Addiction Recovery Medical Home Alternative Payment Model](#) creates a cross-sector approach to integrate health systems and stakeholders.

Johns Hopkins' [Five Guiding Principles](#) to help jurisdictions in the use of opioid settlement funds.

Minnesota Dept. Of Health's [Employer Toolkit](#) aids employers in identifying early signs of SUD and connecting employees to treatment and recovery supports.

The [Opioid Response Project](#) 2-year intensive learning collaborative through the Collective Impact Model.

The [Opioid Solutions Center](#) provides examples for how counties across the U.S. are employing settlement funds.

The [Opioid Settlement Tracker](#) tracks opioid settlement funds and states' spending plans to uncover use of funds across the country.

Fund

Create a financial roadmap that leverages existing funding streams and invests in health system transformation



FUND: Leveraging Settlement Fund Flexibility

Opioid settlement dollars do not exist in isolation; various federal, state, and private funding streams are available to improve OUD systems of care. Based on community priorities identified in the assessment phase, a financial roadmap can inform which investment opportunities align with the various funding streams.

Medicaid, Medicare & Commercial Payer Reimbursement

- Treatment and supportive services for covered populations
- FDA-approved MOUD
- Limited social supports/wrap around services

HRSA

- Workforce supports (National Health Service Corps Repayment)
- Rural community support (e.g., Opioid Response Program)

SAMHSA

- State Opioid Response and State Targeted Response Grants
- Substance Use Prevention, Treatment, and Recovery Services Block Grants

Other Agencies

- CDC Support for opioid overdose tracking and prevention in states
- DOJ support of drug courts and veterans treatment courts
- State level funding efforts

Philanthropy

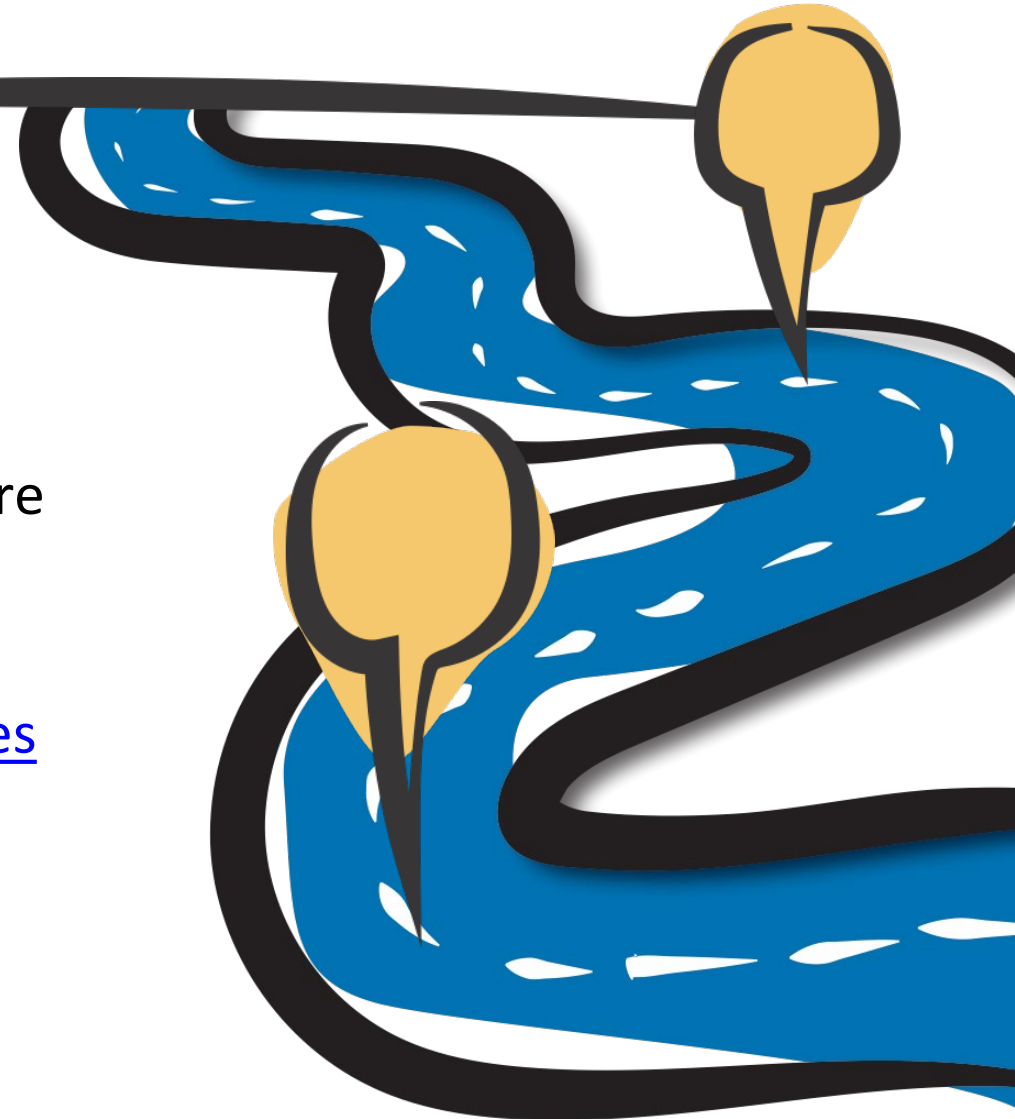
- Treatment and supportive services
- Research and Evaluation
- Advocacy, stakeholder convening

Opioid Settlement Funds

- Prevention
- Treatment
- Recovery Supports
- Recovery Housing
- Physical Infrastructure
- Data Infrastructure
- Supports for underserved populations (e.g., justice-involved)

Create a Financial Roadmap

- Create a roadmap that inform which investment opportunities align with priorities determined in the assessment phase and allowable uses under each funding mechanism. For example, settlement funds are broad and can be used to build infrastructure and address social determinates of health, whereas other funding streams cannot.
- For example, the O’Neill Institute’s [Roadmap for States and Local Governments](#) describes the important functions of [blending and braiding](#) funds to support improved access to [evidence-based treatment](#) and social supports like housing and transportation.



Explore New Health Care Payment and Delivery Models

- Although it may require upfront [investment](#) and initial infrastructure leveraging [value-based payments \(VBP\)](#) may help sustain progress in addressing the opioid crisis. For example, **advanced payment and delivery models** from the [Centers for Medicare & Medicaid Services](#) and [other health insurers](#) highlight ways opioid settlement funds can plug into innovative models that prioritize high-quality, whole-person care.
- Consider using opioid settlement dollars to strengthen the infrastructure needed for health care organizations to succeed in new models:
 - **Care Management and Care Coordination:** Implementing such models requires hiring new staff, training or re-training staff members, and additional technology capabilities. For example [Pennsylvania's Centers of Excellence for Opioid Use Disorder](#).
 - **Technology and Data Infrastructure:** Investment in cross-sector data sharing platforms such as Virginia's [Framework for Addiction Analysis and Community Transformation](#).

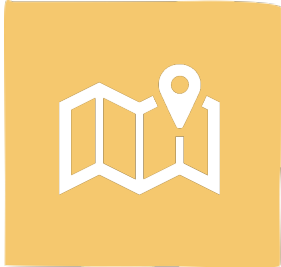


SPOTLIGHT: Payment and Delivery Models Supporting OUD Treatment and Recovery

- **Value in Treatment Demonstration Program:** The CMS [Value in Opioid Use Disorder Treatment](#) (Value in Treatment) Medicare Demonstration Program includes a per beneficiary per month care management fee, which can be leveraged for substance use disorder services that are not otherwise eligible for payment, as well as performance-based incentives in order to encourage evidence-based Medications for Opioid Use Disorder (MOUD).
- [Medicaid Health Homes](#) support integrated care for individuals with OUD. These programs generally support and fund effective care coordination, a [critical component](#) of supporting treatment and recovery for individuals with OUD. [Michigan's Opioid Health Home](#) (OHH) pilot program provides comprehensive care management and coordination services to Medicaid beneficiaries with OUD using a monthly case rate and a payment for quality performance, including increases in initiation and engagement in treatment, increased follow up after SUD-related Emergency Department visits, and decreases in opioid-related hospitalizations.

FUND

Recommendations



Create a financial roadmap with strategic partners that identifies the major revenue streams available to different strategic initiatives relative to the specific allowable uses, reporting requirements, timeline, and other factors.



Explore different payment and delivery models and identify which models have the best possibility of promoting accountability within your jurisdiction



Use opioid settlement dollars to invest in the infrastructure needed to support SUD recovery (e.g., workforce, data support) that are often underfunded in other financing streams.

Fund Resources

Frameworks for Funding

- O'Neill Institutes' [Roadmap](#) for Governors in Implementing Best Practices Across the Continuum of Care to Prevent Overdose.
- [10 key financing principles](#) to guide states in financing substance use care, treatment and support.
- HCP LAN conducted a focused review to identify [APM Success Factors](#) and best practices.

Leveraging Work by CMS

- [Health Homes](#) for people with Medicaid who have chronic, for example [Michigan's Opioid Health Home](#).
- New [CMS Innovation Models](#) to transform the health system such as the [Value in Opioid Use Disorder Treatment](#) 4-year demonstration program.
- Medicaid coverage of [Peer Support Services](#) for adults by state.

State Examples

- [Pennsylvania's Center of Excellence by County](#) take care of whole-person health through care coordination and community-based care management teams.
- [Virginia's Framework for Addiction Analysis and Community Transformation](#) utilizes data sharing to fight the opioid crisis.

Summary of Recommendations

Assess

- Use empirical tools to conduct a needs assessment.
- Engage your community, and incorporating voices from individuals in recovery and underserved communities.
- Understand potential investment areas and local resources across the care continuum to inform next steps.

Collaborate

- Co-design OUD interventions through collaborative, strategic, and operational plans for the design, implementation, and operational management of OUD care and treatment.
- Facilitate shared learning by leveraging existing resources and establishing learning collaboratives.
- Assess and integrate funding sources and develop guidance to inform decision on how to best leverage opioid-related funding.

Fund

- Create a financial roadmap that identifies the major revenue streams relative to allowable uses, reporting requirements, timeline, and other factors.
- Use opioid settlement dollars to invest in the infrastructure needed to support SUD recovery (e.g., workforce, data support, etc.) that are often underfunded in other financing streams.

Acknowledgements

We would like to thank the individuals and organizations who interviewed with us during our information gathering stage for this guide. They provided crucial insight as well as answered key questions we had, and we greatly appreciate their time and contributions to this work.

This guide is generously supported by a grant from the Elevance Health Foundation. Statements expressed here are those of the authors and do not necessarily reflect the views of the Elevance Health Foundation or its affiliates unless explicitly noted.

About Duke-Margolis

The mission of the Robert J. Margolis, MD, Institute for Health Policy at Duke University is to improve health, health equity, and the value of health care through practical, innovative, and evidence-based policy solutions. For more information, visit www.healthpolicy.duke.edu

About Third Horizon Strategies

Third Horizon Strategies is a boutique strategy and advisory firm focused on shaping a future system that actualizes a sustainable culture of health nationwide. Third Horizon Strategies serves as the manager of the Alliance for Addiction Payment Reform, a national cross-sector learning collaborative working to advance value-based principles leveraging recovery-oriented system design for Substance Use Disorders. Learn more at www.thirdhorizonstrategies.com .

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Thank you!